MIRAMICHI REGION
DEVELOPMENT CORPORATION INC.

ANNUAL REPORT

1999-2000

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MIRAMICHI
OUR RIVER. OUR PEOPLE. OUR FUTURE.

158 Wellington St., Suite 201, Miramichi Economic Center, Miramichi, New Brunswick, Canada, E1N 1L9
Tel: (506)622-7890 Fax (506)622-2160 Email: mrdc@nbnet.nb.ca

MIRAMICHI REGION
DEVELOPMENT CORPORATION INC.

June 8, 2000

TO: **MIRAMICHI REGION DEVELOPMENT CORPORATION**
SHAREHOLDER MUNICIPALITIES

Ladies & Gentlemen:

It is with great pleasure that I present the Annual Report covering a 12 month period ending March 31, 2000. This report represents the 25th year of operation of your corporation.

The activities carried out by the Corporation have resulted in investments, business start-ups, expansions, community development, partnerships, and a growing co-operation within the region. We are proud of our accomplishments in fostering the growth of business and look forward to continuing economic development in the Miramichi Region.

Sincerely,

Omer MacKenzie
President

/jws

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EXECUTIVE

President	Omer MacKenzie
Vice President	John McAllister
Secretary	William Fraser
Treasurer	James Porter

BOARD OF DIRECTORS

Blackville	Susan McEvoy
	Omer MacKenzie
Doaktown	James Porter
	Caroline Taylor
Miramichi	Ann Creamer
	William Fraser
	Richard Jardine
	Blaine Jenkins
	John McAllister
	Leslie Price
	Herb Underhill
	Robert Walsh

EX OFFICIO MEMBERS

City of Miramichi	Mayor Rupert Bernard
Village of Blackville	Mayor Roland Walls
Village of Doaktown	Mayor James Porter

"Helping foster the growth and development of small to medium sized businesses."

MIRAMICHI REGION DEVELOPMENT CORPORATION

Miramichi Economic Centre, Suite 201
158 Wellington Street
Miramichi, NB
E1V 1L9

Visit our web site address: http://www.mibc.nb.ca/mrdc
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"Serving Northumberland County"

Business Consulting
Business Start-Up Consultations
Direct Link to Provincial & Federal Departments
Assistance with Business Plan Development
Entrepreneurship Training
Sale of Industrial Park Land
Financial Programs

"Staff"

General Manager, Daryl Black, Ec.D.
Economic Development Officer, Wayne Carpenter
Business Development Officer, Rick Lloyd
Executive Secretary, Joanne Sellars

PRESIDENT'S REPORT

On behalf of the Board of Directors of the Miramichi Region Development Corporation, I am pleased to present the 1999-2000 Annual Report for the fiscal year ending March 31, 2000.

As President, I am extremely proud of the many activities undertaken to enhance business development and tonight we celebrate our 25th year of fostering economic development activity in the Miramichi Region.

As "the first door to economic development activities in the Miramichi Region", business counseling is our major function. In the past year, 966 in-house consultations and 250 field visits were made. These 1216 clients represent a wide spectrum of business activities throughout the region.

Government funding of $11,150,000, accessed through the Miramichi Region Development Corporation and its partners, has provided incentive for additional private investments in excess of $30,000,000. These funds assisted to create, expand, upgrade and diversify many businesses and created or retained an estimated 850 permanent employment opportunities and 400 summer jobs for our youth.

The economic outlook for the Miramichi Region is strong. The re-development efforts of Sky Park Miramichi has been a very successful partnership involving municipal provincial and federal authorities.

The Shared Visions partnerships has recently completed an Information Technology Strategy which will provide more recognition for NBCC – Miramichi, more successful startups for Miratech and a more robust, viable information technology business community in the Miramichi Region.

The efforts of the Miramichi Community Economic Development Strategy Committee, who provided numerous hours in preparing an excellent submission to Industry Canada's Smart Communities Initiative, are to be applauded. Although not selected for government financing, the Committee intends to proceed with a number of initiatives in partnership with our business community.

A number of other key economic development generators require serious consideration by our business community.

The Miramichi Airport Commission has secured scheduled air service after months of tenacious work. The announced schedule provide a convenient service that must be used by our business community to maintain consistency.

The Miramichi Port Committee continues to consider the feasibility of the long term viability of the Port of Miramichi.

A third major transportation issue is Highway #108 (Renous – Plaster Rock) which requires improvement to ensure the Miramichi Region is an important link in Eastern Canada and will provide new business opportunities.

One of the most important economic development issues facing the Miramichi Region is the provision for Natural Gas. Every effort must be made to ensure Natural Gas is available to North East New Brunswick to ensure that our region remains competitive with other areas of the province and is able to attract new industry.

Acknowledging and promoting our local entrepreneurs is a corporate objective we are most pleased to do, and as a highlight of this evenings activities, we will honor a very deserving individual, Ms. Susan Butler, with the prestigious Miramichi Achiever Award. Susan exemplifies the individuals who make a difference in our community.

I would like to take this opportunity to acknowledge the continuous support of our funding partners: our shareholders, the City of Miramichi and the Villages of Blackville and Doaktown, the Government of Canada, the Province of New Brunswick, and our many partner agencies. I want to acknowledge the professional approach of our board of directors and staff to the daily task of economic development in the Miramichi Region. We look forward to working with our Member of Parliament, MLA's, Mayors and Councilors, and our business community in the coming year.

Omer MacKenzie
President

DESCRIPTION OF OPERATIONS

BUSINESS DEVELOPMENT

Business Development in the region consists of a number of activities which are outlined below:

A. BUSINESS COUNSELLING

B. FINANCIAL ASSISTANCE PROGRAMS - APPROVALS

C. EDUCATION DEVELOPMENT

D. ENTREPRENEURIAL AWARDS

E. INDUSTRIAL PARK DEVELOPMENT

F. TRANSPORTATION INFRASTRUCTURE DEVELOPMENT

G. BUSINESS SUPPORT

H. COMMUNITY ECONOMIC DEVELOPMENT STRATEGY

I. INVESTMENT CO-ORDINATION

J. SHARED VISIONS PARTNERSHIP

K. VENTURE CAPITAL

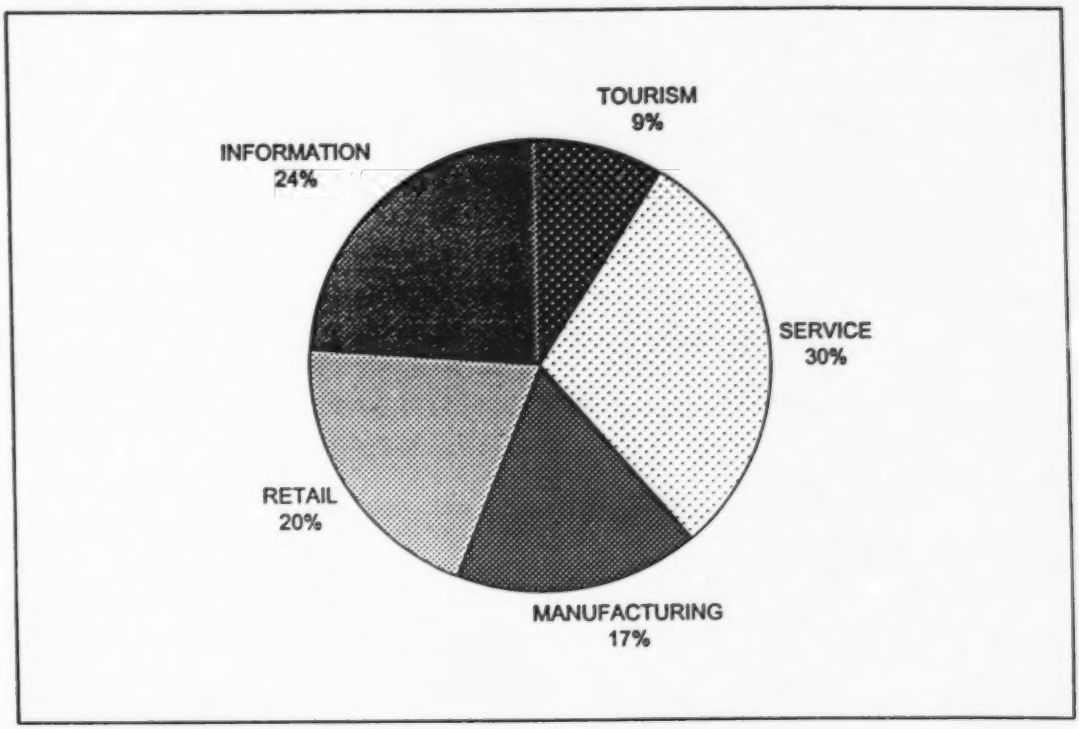
L. COMMUNICATION

M. NETWORKS

N. HUMAN RESOURCE DEVELOPMENT

A. BUSINESS COUNSELLING

Total client contact including office and field visits were 1,216. The sector breakdowns are indicated in the graph below:



The staff of the Miramichi Region Development Corporation provides free and confidential advice, guidance and assistance on programs, financing, marketing, and business plans to the Miramichi business community. Result breakdowns are as follows:

Field Visits	250
Office	966
	1,216

B. FINANCIAL ASSISTANCE PROGRAM

A summary of financial assistance provided by senior government departments to the Miramichi Region is outlined in the following charts:

FINANCIAL ASSISTANCE RECEIVED
April 1, 1999- March 31, 2000

GOVERNMENT OF CANADA

PROGRAMS	APPLICATIONS APPROVED	TOTAL
Atlantic Canada Opportunities Agency	19	$1,764,680
Aboriginal Business Development	5	23,033
Summer Career Placement	406	572,092
Self-Employment Benefit	57	641,250
Regional Development Corporation	12	138,159
SEED Capital Loan	6	78,000
Transitional Job Fund	5	193,000
NBAC Loan	21	630,356
SUB TOTAL	531	$4,040,570

GOVERNMENT OF NEW BRUNSWICK

PROGRAMS	APPLICATIONS APPROVED	TOTAL
Student Venture	5	$10,990
Partners	187	2,534,942
NB Entrepreneur	44	417,750
Self-Start	9	94,000
Financial Assistance Program	3	2,800,000
Quality Assurance & Technical Missions	3	4,718
SECAP	11	279,832
Trade Assistance & Marketing	11	22,857
Opportunities Fund	4	49,503
Youth Initiatives	27	504,632
Rural Experience	22	154,973
JET Stream	66	233,188
SUB TOTAL	392	$7,107,385

GRAND TOTAL	923	$11,147,955

C. EDUCATION DEVELOPMENT

The Miramichi Region Development Corporation is involved with a number of projects which create a partnership with youth and business in the Miramichi Region. The introduction of entrepreneurship to our youth expands their career options and creates awareness of the complex working environment outside of traditional learning systems.

1. Junior Achievement Program

Junior Achievement was sponsored at Miramichi Valley High School this past year. Jane Donaldson Bowes' Entrepreneurship class at Miramichi Valley High School proved to be very successful. Sponsors for the program include: NB Tel, Repap NB Inc., Northumberland Co-op, and the Royal Bank of Canada.

The Entrepreneurship Class of Miramichi Valley operated "Hitch's Hemp". Their products included hemp necklaces, bracelets, anklets, and key chains. They sold within their school, in other schools, and to the general public. The venture was successful in turning a profit which provided a scholarship to a student starting a summer business and a donation to the Miramichi Regional Hospital Foundation.

The students were able to learn a great deal about the operation of a small business and gain valuable experience. Many students contributed their own free time to make the venture successful. The program would not have been successful without the dedication of Ms. Bowes and the assistance of the sponsors.

2. University Programs on the Miramichi

The general manager and a member of the Board of Directors of the Miramichi Region Development Corporation are members of the University Programs on the Miramichi Board of Directors.

In 1999-2000, there were 80 full time and 20 part time students enrolled in year one and year two university courses in the Miramichi region.

The University of New Brunswick, Saint Thomas University, and Mount Allison University are offering over 20 courses for those interested in obtaining their first and second year in the Bachelor of Science, Arts, Commerce, or Business Administration programs.

D. ENTREPRENEURIAL AWARDS

In recognition of the success of individuals in the Miramichi region, the Miramichi Region Development Corporation makes presentation of achievement awards.

1. Miramichi Achiever Award

Robert Tozer was the 1999 recipient of the prestigious Miramichi Achiever Award which was presented at the Miramichi Region Development Corporation Annual Meeting in June.

The criteria established for selection of the Miramichi Achiever recipient is as follows:

- generally known throughout the region
- has excelled in their selected field
- is an inspiration and role model to others
- has demonstrated achievement over a period of time, and
- has established at one time their home or business on the Miramichi.

Mr. Tozer is a very worthy recipient of the Achiever Award. He has been an inspiration to us all and his strong dedication and commitment have contributed immensely to our community.

E. INDUSTRIAL PARK DEVELOPMENT

The Miramichi Region Development Corporation provides land at very competitive prices for industrial purposes in three industrial parks.

The Miramichi Industrial Park - Blackville Site, contains eight acres of unserviced property. The Chatham Site provides 84 acres of serviced land, and the Newcastle Site 45 acres of property containing all municipal services.

During the past year, the Miramichi Region Development Corporation transferred one lot in the Miramichi Industrial Park – Newcastle Site to provide for expansion of an existing business, and one lot in the Chatham Site for the purpose of establishing a new business.

F. TRANSPORTATION INFRASTRUCTURE DEVELOPMENT

Special emphasis has been placed on the promotion of transportation infrastructure development in the region. A committee consisting of staff, board members, and sector representatives has a mandate to improve and create awareness of the transportation networks in the region.

Quality Transportation Infrastructure is an integral component in maintaining and expanding our economic base.

The Miramichi Airport Commission continues to initiate numerous activities to ensure the Miramichi Airport provides quality air service to the Miramichi and surrounding areas.

The Port of Miramichi - Chatham Site was transferred to the private sector in 1997-98 and the federal Department of Transport announced plans to divest of the Newcastle Site.

The Miramichi Region Development Corporation has taken a lead role in co-ordinating the activities of local user and interest groups in determining the feasibility of the Port of Miramichi operations which has resulted in the creation of the Miramichi Port Committee Inc. The committee's Board of Directors include representatives of the City of Miramichi, Repap New Brunswick, Newcastle Lumber, Ultramar, Eagle Forest Products, Miramichi Trade & Labour Union, Greater Miramichi Chamber of Commerce, Logistec Stevedoring, and the Miramichi Region Development Corporation.

G. BUSINESS SUPPORT

1. Small Business Week

Small Business Week was held during the last week of October. Various activities were held such as the Employee Appreciation Evening, attended by approximately 275 people which offered a relaxing night out for employers and their deserving employees. The evening included a meal, donated prizes, entertainment and an opportunity to network with other business owners.

A number of information sessions highlighting such subjects as e-Commerce and your Business and Better Business Management Practices attracted over 60 business persons.

The Greater Miramichi Chamber of Commerce sponsored a Gala Evening which attracted approximately 275 people. Premier Bernard Lord was the guest speaker and six Miramichi businesses were honored for their years in operation and contribution to the business community.

The Business Development Bank of Canada offered a full day of free business counseling with eight individuals participating in one hour sessions.

A Business to Business Expo sponsored by the Greater Miramichi Chamber of Commerce featured over 25 display areas, and offered excellent liaison between a number of local businesses.

A Champagne Business Breakfast concluded the week long activities and attracted 80 people to a very informative presentation featuring Laurie Bourque, Managing Partner with BDC Consulting Group as guest speaker.

The organizing and sponsoring of the Small Business Week events is a partnership between a number of local, provincial and federal agencies.

2. Information Sessions

The Miramichi Region Development Corporation plays a major role in informing the public on the mandate of the corporation, the region's vast wealth, financial programs, and issues of concern to the business community.

During the past 12 months, a number of information sessions have been co-ordinated in such areas as Tourism, Trade & Development, Self-Start, Quality Assurance, Networking Information, and Atlantic Canada Opportunities Agency Information Sessions.

Formal presentations by the corporation were made to 17 groups which consisted of approximately 470 individuals being addressed.

3. Satellite Offices

Field visits to the municipalities of Blackville and Doaktown provides a very convenient service to area residents. In the past year, 15% of the Corporation's clients were from this area.

H. COMMUNITY ECONOMIC DEVELOPMENT STRATEGY

The Strategic Plan is into it's fifth year of implementation and volunteers from throughout the region continue to devote their time to ensure recommended action plans and goals developed during the community forums in 1996 are acted upon. As stated in the Final Main Report, "the Community Economic Plan is fully supportive of this community empowerment with ownership and responsibility remaining at the local level".

The committee has expanded to include individuals representing vast interests. Seventeen members meet on a monthly basis and the committee is anticipating additional participants to further represent the region.

A key undertaking of the Strategy Committee in the past year was a submission to Industry Canada's Smart Communities Initiative.

An initial "Letter of Intent" was submitted in July, 1999. An eleven member committee compiled the submission entitled "Global Wisdom". The Miramichi Region application was one of 129 from across Canada to be reviewed by a 25 member selection committee.

The local committee was advised on November 10, 1999 that "only the most promising letters of intent have been selected to proceed to Stage Two of the competition" and that our community was selected to submit a full business plan. The deadline for submission was set for January 14,2 000.

The committee was expanded to 30 individuals representing virtually every aspect of our community. Numerous meetings were held with committee members volunteering many hours preparing the plan.

Our theme "Using Technology to Enhance Our Quality of Life" was developed to benefit our retirees, seniors, youth, local business, institutions and citizens throughout the Region.

Specific benefits of our Smart Communities Project include the opportunity to connect as a community, while working together to demonstrate that community size or location are not issues in competing globally. Additional benefits are job creation, business expansion, continued learning, cultural sharing and the realization that technology can be fun.

The Mayors of the five municipalities in the region meet on a regular basis. Mayors from Blackville, Doaktown, Miramichi, Neguac, and Rogersville have met on five occasions and each Mayor serves as host in their area on a rotating basis. Recent agenda items include Natural Gas, Tourism and Infrastructure. The formal name for this group is Miramichi Mayors' Forum: Forum des maires de Miramichi.

I. INVESTMENT CO-ORDINATION

1999-2000 was an active year for in-missions and meetings relative to potential outside investment to the region. The Miramichi Region Development Corporation, in partnership with other local economic agencies and private interests, assisted in hosting four groups, organizations, or individual firms from various North American locations during the year.

The local economic agency partners, politicians, and business community representatives promote the Miramichi area as an excellent location to live and do business while providing current regional information to potential investors.

J. SHARED VISIONS PARTNERSHIP

The Miramichi Region Development Corporation, in partnership with the Regional Development Corporation, Greater Miramichi Chamber of Commerce, Economic Development Tourism & Culture, NBCC – Miramichi, NB Tel, Miratech Inc., ACOA, NB Department of Labour, and Human Resource Development Canada are mandated to create an Information Technology sector in the Miramichi.

In the past year, the group engaged the services of Salt River Associates to facilitate an IT Strategy for the Region to guide the development of the IT Sector for many years into the future, and to help co-ordinate and facilitate public and private collaboration in establishing this important economic sector. Implementation of the Strategy will result in more recognition for the college, more successful startups at Miratech and a more robust information technology business community in the Miramichi Region.

K. VENTURE CAPITAL

The Miramichi Region Development Corporation has formed a partnership with the Regional Investment Corporation mandated to identify and source private capital for small and medium sized businesses that demonstrate a potential for growth and job creation. The purpose is to identify both investors and investees throughout the Miramichi Region.

L. COMMUNICATION

Effective communication is an essential ingredient of the Miramichi Region Development Corporation's economic development activity. The corporation utilizes a number of methods to convey information to the general public and business community on corporate services.

The communication avenues employed by the corporation include seminars, workshops, presentations, newspaper, radio, magazine, television, brochures, information mailouts, direct mail, and press releases.

The goal of the corporation is to provide an ongoing and co-ordinated program to inform, create, and sustain awareness internal and external to the region.

1. Internet Communities

The Miramichi Region Development Corporation supports local initiatives to assist in developing and building an Information Technology Industry in the Miramichi. A Miramichi Business Community Home Page provides a comprehensive site on the internet offering information on economic development, travel, accommodations, recreation, a calendar of events and activities, as well as products and services. This avenue of promotion is a valuable means of providing information about the Miramichi to over 50 million internet users. The Miramichi Region Development Corporation home page and E-Mail address is:

www.mibc.nb.ca/mrdc
dblack@mrdc.redc.nb.ca

2. Miramichi Business Ambassadors Group

The Miramichi Business Ambassadors Group is an excellent mechanism for promoting the Miramichi Region as a good place to do business. The Miramichi Region Development Corporation is a partner with business persons from the region who travel frequently, and who are prepared to form part of an aggressive regional sales team promoting the benefits of business development in the region.

The principle objective of this group is to solicit and generate potential investors into the region. The activities of the group focus on potential prospects at the provincial, national, and international levels, and to encourage outside investors to locate to our region.

Members receive personalized business cards, information packages on the region which can be used to promote the region, and a framed membership certificate.

Mr. David "Bud" Nelligan, Robbie Tozer and Gary Williston were inducted as members of the Miramichi Business Ambassador Group in 1999 joining Phil Cormier, Frank Williston, Joseph O'Neil, David Adam Richards, Bill Hogan, Frank McKenna, Gunter Hoeksma, Elwin Sherrard, MP Charles Hubbard, Keith Pond, Noreen Lobban, Craig Storey, Jack Christie, Roger J. Augustine, Leon Bremner and Vaughan Ross.

M. NETWORKS

Community involvement, business memberships, and human resource development is required to ensure the continued growth and professionalism of the corporation. In order to be pro-active, it is imperative the corporation play an active co-ordinating role in the region.

The Miramichi Region Development Corporation maintains partnership with the following business organizations:

- DOWNTOWN MIRAMICHI BUSINESS NETWORK
- GREATER MIRAMICHI CHAMBER OF COMMERCE
- MARKET MIRAMICHI GROUP
- MIRAMICHI AIRPORT COMMISSION
- MIRAMICHI DISTRICT PLANNING COMMISSION
- MIRAMICHI PORT COMMITTEE
- MIRAMICHI REGION COMMUNITY ECONOMIC DEVELOPMENT STRATEGY COMMITTEE
- MIRAMICHI SHARED VISIONS PARTNERSHIP
- MIRAMICHI TOURISM GROUP
- NORTHUMBERLAND BUSINESS ADVISORY CENTRE INC.
- SKY PARK MIRAMICHI INC.
- WATER STREET BUSINESS DISTRICT CORPORATION

N. HUMAN RESOURCE DEVELOPMENT

To keep abreast of new developments, staff and board members are encouraged to acquire the knowledge and training necessary to fully serve the public and their business information needs. A number of meetings, seminars, and conferences are attended regularly for this purpose.

NEW BRUNSWICK ECONOMIC COMMISSIONS ASSOCIATION

The New Brunswick Economic Commissions Association represents all directors and staff of the thirteen regional economic commissions in the province, and provides a united approach to ensure federal and provincial department mandates are adhered to.

A past president of the Miramichi Region Development Corporation, Mr. Leslie Price, is the past president of the provincial association and the Corporation's President, Richard Jardine, is a member of the NBECA Board of Directors.

ECONOMIC DEVELOPERS ASSOCIATION OF CANADA

Miramichi Region Development Corporation staff are members of the Economic Developers Association of Canada, a national association whose mandate is to enhance the professional competence of economic developers, and ensure placement of qualified people in the field of economic development while promoting economic development as a distinct recognized profession.

The general manager of the Miramichi Region Development Corporation is the provincial representative on the Board of Directors.

INDUSTRY CANADA

Industry Canada's Program for Export Market Development is mandated to assist public/private partnerships in attracting, retaining and expanding foreign direct investment in their regions.

The general manager of the Miramichi Region Development Corporation is a member of the PEMD-I Selection Committee.

FINANCIAL STATEMENTS

Grant Thornton LLP
Management Consultants
Chartered Accountants
Canadian Member Firm of
Grant Thornton International

Grant Thornton

Miramichi Region Development Corporation Inc.
Financial Statements

March 31, 2000

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Grant Thornton LLP
Chartered Accountants
Management Consultants
Canadian Member Firm of
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Auditors' Report

To the Board of Directors of
Miramichi Region Development Corporation Inc.

We have audited the balance sheets of Miramichi Region Development Corporation Inc. as at March 31, 2000 and the statements of revenue and expenditure and surplus for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at March 31, 2000 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Grant Thornton LLP

City of Miramichi, New Brunswick
May 19, 2000

Chartered Accountants

135 Henry Street
Miramichi
New Brunswick
E1V 2N5
Tel: (506) 622-0637
Fax: (506) 622-5174

Miramichi Region Development Corporation Inc.
General Operating Fund
Statements of Revenue and Expenditure and Surplus

Year Ended March 31	2000 Budget	2000 Actual	1999 Actual
Revenue			
Co-operation Agreement on Economic Development operating grant	$ 214,045	$ 214,045	$ 208,548
City of Miramichi	60,050	60,450	60,050
Village of Blackville	2,098	2,098	2,098
Village of Doaktown	2,438	2,438	2,438
	278,631	279,031	273,134
Interest	-	2,236	1,384
	278,631	281,267	274,518
Expenditures			
Advertising	-	2,596	3,609
Automation	2,000	-	-
Insurance	700	800	660
Interest and bank charges	1,000	1,401	2,205
Office supplies and postage	10,600	11,149	12,579
Professional fees	5,000	6,550	5,751
Promotion and publications	11,200	11,408	7,169
Rent - equipment	7,000	7,600	8,129
office	22,520	19,892	19,919
Small business week	2,000	1,628	360
Telephone	10,000	12,902	12,009
Travel and directors' expenses	23,611	26,151	26,945
Utilities	1,500	1,402	1,500
Wages and employee benefits	178,000	174,336	177,697
Transfer to (from) Special Projects Fund			
Regional Economic Strategy	3,500	3,500	-
General	-	500	(4,000)
	278,631	281,815	274,532
Excess of revenue over expenditure (expenditure over revenue)	$ -	(548)	(14)
Surplus, beginning of year		639	653
Surplus, end of year		$ 91	$ 639

See accompanying notes to the financial statements.

Miramichi Region Development Corporation Inc.
General Operating Fund
Balance Sheet

March 31	2000	1999
Assets		
Current		
Cash	$ 27,496	$ 15,555
Receivables	9,931	4,267
Receivable from Industrial Parks Fund	-	2,098
	37,427	21,920
Capital assets (Note 2)	11,808	11,808
	$ 49,235	$ 33,728
Liabilities		
Current		
Payables and accruals	$ 11,007	$ 6,780
Payable to		
Industrial Parks Fund	7,387	-
Special Projects Fund	18,942	14,501
	37,336	21,281
Equity		
Investment in capital assets	11,808	11,808
Operating surplus (Page 2)	91	639
	11,899	12,447
	$ 49,235	$ 33,728

On behalf of the Board

_____ Director _____ Director

See accompanying notes to the financial statements.

Miramichi Region Development Corporation Inc.
Special Projects Fund
Statements of Revenue and Expenditure and Surplus

Year Ended March 31

	2000	1999
Revenue		
Aboriginal Youth Internship	$ 17,180	$ -
CEC Summer Employment Partners	900	-
Interest	864	960
IT Strategy	38,250	-
Mayor's Forum	575	-
Miramichi Economic Centre (Note 6)	12,105	(21,823)
Regional Economic Strategy	38,094	18,306
Smart Communities	8,552	-
Aboriginal Initiative	-	83,075
Transfer from (to) General Operating Fund General	4,000	(4,000)
	120,520	76,518
Expenditure		
Aboriginal Youth Internship	15,938	-
Advertising	181	-
Bank and interest charges	331	78
CEC Summer Employment Partners	897	-
IT Strategy	37,875	-
Regional Economic Strategy	25,012	18,305
Smart Communities	8,552	-
Aboriginal Initiative	-	73,366
	88,786	(91,749)
Excess of revenue over expenditure (expenditure over revenue)	$ 31,734	$ (15,231)
Surplus, beginning of year	$ 36,676	$ 51,907
Excess of revenue over expenditure (expenditure over revenue)	31,734	(15,231)
Surplus, end of year	$ 68,410	$ 36,676

See accompanying notes to the financial statements.

Miramichi Region Development Corporation Inc.
Special Projects Fund
Balance Sheet

March 31

	2000	1999
Assets		
Current		
Cash	$ 27,141	$ 73,666
Receivables (Note 3)	41,710	8,418
Receivable from Industrial Park Fund	10,000	10,000
Receivable from General Operating Fund	18,942	14,501
	97,793	106,585
Capital assets (Note 2)	194,000	194,000
	$ 291,793	$ 300,585
Liabilities		
Current		
Accounts payable and accruals	$ 27,935	$ 60,015
Deferred revenue	1,448	9,894
	29,383	69,909
Equity		
Investment in capital assets	194,000	194,000
Surplus (Page 4)	68,410	36,676
	262,410	230,676
	$ 291,793	$ 300,585

On behalf of the Board

_____ Director

_____ Director

Miramichi Region Development Corporation Inc.
Industrial Parks Fund
Statements of Revenue and Expenditure and Surplus

Year Ended March 31

	2000	1999
Revenue		
Sale of land	$ 20,330	$ -
Interest	628	1,146
	20,958	1,146
Expenditure		
Bank charges	2,027	72
Cost of land sold, net of deferred government assistance	11,196	-
Site maintenance	1,205	1,285
	14,428	1,357
Excess of revenue over expenditure (expenditure over revenue)	$ 6,530	$ (211)
Surplus, beginning of year	$ 257,572	$ 257,783
Excess of revenue over expenditure (expenditure over revenue)	6,530	(211)
Surplus, end of year	$ 264,102	$ 257,572

See accompanying notes to the financial statements.

Miramichi Region Development Corporation Inc.
Industrial Parks Fund
Balance Sheet

March 31	2000	1999
Assets		
Cash	$ 15,927	$ 88,658
Receivables	6,130	11,690
Receivable from General Operating Fund	7,387	-
Prepaid expenses	9,585	8,885
Land inventory, Industrial Parks (Note 4)	724,029	734,570
Capital assets (Note 2)	9,978	9,978
	$ 773,036	$ 853,781
Liabilities		
Bank indebtedness	$ 15,000	$ 100,000
Payable and accruals	40,624	24,966
Payable to		
Special Projects Fund	10,000	10,000
General Operating Fund	-	2,098
	65,624	137,064
Deferred government assistance (Note 5)	433,332	449,167
Equity		
Investment in capital assets	9,978	9,978
Surplus (Page 6)	264,102	257,572
	274,080	267,550
	$ 773,036	$ 853,781

On behalf of the Board

_____ Director

_____ Director

Miramichi Region Development Corporation Inc.
Notes to the Financial Statements
March 31, 2000

1. Summary of significant accounting policies

Revenue and expenditure recognition
Revenue and expenditure are recorded on the accrual basis. Revenue from grants is recognized when the expenditure is made in respect to the specific grant.

Capital assets
Capital assets are recorded at the cost incurred by the Corporation. Depreciation is not recorded on the capital assets.

Land Inventory - Industrial Parks
The land inventory is carried at the lower of cost and estimated net realizable value. Cost includes the cost of land, cost of developing and servicing commercial sites and cost of property tax on land inventory.

Deferred Government Assistance
Government assistance relating to the cost of developing the industrial park land is deferred and amortized as the related land is sold.

2. Capital assets

	General Operating Fund	Special Projects Fund	Industrial Parks Fund	Total
Leasehold improvements	$ 11,808	$ 194,000	$ -	$ 205,808
Equipment	-	-	2,214	2,214
Signs	-	-	7,764	7,764
	$ 11,808	$ 194,000	$ 9,978	$ 215,786
1999	$ 11,808	$ 194,000	$ 9,978	$ 215,786

3. Receivables - Special Projects

	2000	1999
IT Strategy	$ 38,250	$ -
Other	3,460	8,613
	$ 41,710	$ 8,613

4. Land - Industrial Parks	2000	1999
Chatham Industrial Park - approximately 145 total acres, 115 acres are developable and 30 acres bordering a water shed are not	$ 177,904	$ 177,999
Newcastle Industrial Park - approximately 40 acres	519,961	530,407
Blackville Industrial Park site - approximately 8 acres	26,164	26,164
	$ 724,029	$ 734,570

5. Deferred Government Assistance	2000	1999
Balance, beginning of year	$ 449,167	$ 372,633
Add: Earned during the year	-	76,534
Less: Amortized during year	15,835	-
Balance, end of year	$ 433,332	$ 449,167

6. Miramichi Economic Centre

The Corporation has entered into a five year lease with NB Power for premises housing the Miramichi Economic Centre. Costs related to the lease arrangement are expected to be recovered from Miramichi Economic Centre tenants.

7. Related party transactions

During the year the General Operating Fund paid rent in the amount of $19,892 to the Miramichi Economic Centre a component of the Special Projects Fund.

8. Comparative figures

Certain of the 1999 comparative figures have been restated to reflect the financial statement presentation adopted for 2000.